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C O N F I D E N T I A L DUBAI 000462

DEPARTMENT FOR NEA/FO; NEA/ARP FOR BMASILKO; ISN FOR PMCNERNEY;
DOE/NNSA FOR WTOBEY

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TAGS: [PGOV](#) [PREL](#) [ETRD](#) [ETTC](#) [KNNP](#) [AE](#)

SUBJECT: DUBAI MEGAPORTS INITIATIVE EQUIPMENT INSTALLATION STILL
STALLED

CLASSIFIED BY: Paul Sutphin, Consul General, Dubai, UAE.

REASON: 1.4 (b), (d)

¶1. (C) Summary: Progress in implementing the U.S. Department of Energy Megaports Initiative at Jebel Ali is stalled because U.S. equipment (SAIC-made scanners) that Dubai Customs planned to buy does not meet U.S. Department of Energy (DOE) / National Nuclear Security Administration (NNSA) requirements. Dubai Ports World (DP World), the operator of Jebel Ali, is pressuring Dubai Customs to abandon its interest in that equipment in favor of pre-approved options. Dubai Customs may also have concerns about possible negative consequences for Dubai flowing from the "Strategic Trade Corridor Strategy;" we will address this issue with a visiting U.S. Customs and Border Protection team next week in Dubai. End Summary.

¶2. (C) The Dubai Ports, Customs, and Free Zone Corporation and the DOE/NNSA signed a Memorandum of Understanding (MOU) in May 2005 to implement at Dubai's Jebel Ali port the Megaports Initiative, a global program that seeks to provide international partners with the capability to identify the presence of special nuclear material (SNM) or other radiological material in cargo containers. The MOU was designed to encourage the scanning of as many containers as possible regardless of ultimate destination. Under the Megaports Initiative's maritime risk model, which identifies ports of interest based on several risk-based factors, Khor Fakkan in Sharjah emirate and Mina Zayed in Abu Dhabi are also possible candidates for eventual inclusion in the program. (Note: The UAE Ministry of Interior is reviewing a draft MOU to expand the program to these ports. End Note.)

¶3. (C) The Megaports Initiative was ready for implementation in Dubai in 2007; however, at the last minute, U.S. company SAIC convinced Dubai Customs to incorporate its scanning equipment into its designs for Jebel Ali in place of already-approved equipment provided by DOE; the SAIC equipment includes an integrated radiation detection and x-ray scanning unit. Since DOE/NNSA had no prior information on the SAIC equipment, nor information on its technical capabilities, DOE requested additional testing prior to implementation.

¶4. (C) DOE has determined that the SAIC's equipment does not meet the requirements of the Megaports Initiative, due to a high rate of false alarms and inconsistent ability to identify SNM when it is present. Based on conversations with SAIC, Dubai Customs officials remain hopeful that the SAIC can update make its equipment meet DOE requirements. Our understanding from DOE, however, is that the problems are fundamental and cannot be easily fixed. Even if SAIC were to make sufficient changes to warrant a second round of testing, it is unlikely Dubai Customs would receive new test results allowing them to move ahead with implementation of the Megaports Initiative for at least one year. As a result, DP World, the operator for Jebel Ali, is now pressing Dubai Customs to move forward instead with proven radiation detection equipment.

¶5. (C) Comment: We want to do all we can to push forward

implementation of the megaports initiative in Jebel Ali. Dubai Customs officials did not attend a scheduled meeting with a DOE-led delegation on December 7, 2008 to discuss the Megaports Initiative. We do not know why, but it could be related to the Eid Al Adha holiday. A more troubling possible explanation is government pique -- the DP World head of security speculated that Dubai Customs did not show up because of the UAE's concern regarding DHS's "Strategic Trade Corridor Strategy" possibly negatively impacting Dubai. Post will meet with visiting DHS Secure Freight Initiative representatives on 14 December, and hope to have a more complete understanding of SFI plans, with a view toward addressing local any local concerns. End Comment.

SUTPHIN